

Narrative

General Information

County Name: **Johnson County**

Person Performing Ratio Study: **Jon Lawson**

Contact Information: **812-890-8323, jon.lawson@tylertech.com**

Vendor Name (If Applicable): **Tyler Technologies**

Additional Contacts (For purposes of the ratio study): **Mark Alexander**

Sales Window (e.g., 1/1/19 to 12/31/19): **1/1/20 to 12/31/20**

If more than one year of sales were used, was a time adjustment applied? If no, please explain why not. If yes, please explain the method used to calculate the adjustment.

Groupings

In the space below, please provide a list of townships and/or major class groupings (if any). Additionally, please provide information detailing how the townships and/or major classes are similar in market.

****Please note that groupings made for the sole purpose of combining due to a lack of sales with no similarities will not be accepted by the Department****

Residential Improved- There was no grouping necessary.

Residential Vacant- Blue River, Clark, Franklin, Nineveh, and Union townships were grouped together as these are more comparable in the current market. They share a similar economic factor due to being they are mostly rural with limited small towns, have very limited market action, and there is less development in these areas. For Hensley, Needham, Pleasant, and White River townships there was no grouping necessary.

Commercial & Industrial Improved & Vacant- Blue River, Clark, Hensley, Needham, Nineveh, and Union townships were grouped together when developing trend factors, since the construction types and sizes of these properties are very similar. In addition to that, these areas are incurring less development regarding commercial and industrial properties. Franklin, Pleasant, and White River had enough market sales to stand on their own. We have adjusted building factors and land rates within commercial and industrial neighborhoods that bring us closer to a market value. There are very few commercial and industrial vacant land sales due to

the fact that most of the land for sale is already developed, sustains a change in use after it is purchased, or is in row crop. For this reason, we did group the commercial and industrial improved and vacant sales together for each grouping.

AV Increases/Decreases

If applicable, please list any townships within the major property classes that either increased or decreased by more than 10% in total AV from the previous year. Additionally, please provide a reason why this occurred.

Property Type	Townships Impacted	Explanation																		
Commercial Improved	FRANKLIN TOWNSHIP	Franklin Township ComImp changed roughly 10%, or \$23,441,300. This is due to the reasons listed below. <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;"><u>Parcel</u></th> <th style="text-align: center;"><u>Amount Chg</u></th> <th style="text-align: center;"><u>Reason for Chg</u></th> </tr> </thead> <tbody> <tr> <td>41-08-16-041-014.000-009</td> <td style="text-align: right;">\$ 3,480,100</td> <td>New Construction</td> </tr> <tr> <td>41-08-10-043-016.002-009</td> <td style="text-align: right;">\$ 1,297,200</td> <td>New Construction</td> </tr> <tr> <td>41-08-15-043-036.000-009</td> <td style="text-align: right;">\$ 688,100</td> <td>New Construction</td> </tr> <tr> <td>41-08-15-033-007.000-008</td> <td style="text-align: right;"><u>\$ 11,570,100</u></td> <td>New Construction</td> </tr> <tr> <td></td> <td style="text-align: right;"><u>\$ 17,035,500</u></td> <td></td> </tr> </tbody> </table>	<u>Parcel</u>	<u>Amount Chg</u>	<u>Reason for Chg</u>	41-08-16-041-014.000-009	\$ 3,480,100	New Construction	41-08-10-043-016.002-009	\$ 1,297,200	New Construction	41-08-15-043-036.000-009	\$ 688,100	New Construction	41-08-15-033-007.000-008	<u>\$ 11,570,100</u>	New Construction		<u>\$ 17,035,500</u>	
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	NEEDHAM TOWNSHIP	Needham Township ComImp changed roughly 14%, or \$5,098,500. This is due to the reasons listed below. <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;"><u>Parcel</u></th> <th style="text-align: center;"><u>Amount Chg</u></th> <th style="text-align: center;"><u>Reason for Chg</u></th> </tr> </thead> <tbody> <tr> <td>41-07-18-042-008.000-018</td> <td style="text-align: right;">\$ 862,700</td> <td>New Parcel</td> </tr> <tr> <td>41-07-18-042-003.000-018</td> <td style="text-align: right;"><u>\$ 3,702,500</u></td> <td>New Construction</td> </tr> <tr> <td></td> <td style="text-align: right;"><u>\$ 4,565,200</u></td> <td></td> </tr> </tbody> </table>	<u>Parcel</u>	<u>Amount Chg</u>	<u>Reason for Chg</u>	41-07-18-042-008.000-018	\$ 862,700	New Parcel	41-07-18-042-003.000-018	<u>\$ 3,702,500</u>	New Construction		<u>\$ 4,565,200</u>							
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Commercial Vacant	BLUE RIVER TOWNSHIP	Blue River Township ComVac changed roughly 14%, or \$34,200. This is due to Neighborhood 4114002 having a land rate increase during annual adjustments to bring the sales in line with market. The percent change is slightly high, but the average change is \$3,100.																		
	PLEASANT TOWNSHIP	Pleasant Township ComVac changed roughly -10%, or -\$1192,000. This is due to the reasons listed below. <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;"><u>Parcel</u></th> <th style="text-align: center;"><u>Amount Chg</u></th> <th style="text-align: center;"><u>Reason for Chg</u></th> </tr> </thead> <tbody> <tr> <td>41-05-10-012-003.000-025</td> <td style="text-align: right;">\$ (762,700)</td> <td>ComVac to Exempt</td> </tr> <tr> <td>41-02-35-031-019.000-030</td> <td style="text-align: right;">\$ (253,100)</td> <td>ComVac to IndImp</td> </tr> <tr> <td>41-05-02-033-001.000-030</td> <td style="text-align: right;">\$ (83,300)</td> <td>ComVac to IndImp</td> </tr> <tr> <td>41-05-11-022-001.000-030</td> <td style="text-align: right;"><u>\$ (93,000)</u></td> <td>ComVac to IndImp</td> </tr> <tr> <td></td> <td style="text-align: right;"><u>\$ (1,192,100)</u></td> <td></td> </tr> </tbody> </table>	<u>Parcel</u>	<u>Amount Chg</u>	<u>Reason for Chg</u>	41-05-10-012-003.000-025	\$ (762,700)	ComVac to Exempt	41-02-35-031-019.000-030	\$ (253,100)	ComVac to IndImp	41-05-02-033-001.000-030	\$ (83,300)	ComVac to IndImp	41-05-11-022-001.000-030	<u>\$ (93,000)</u>	ComVac to IndImp		<u>\$ (1,192,100)</u>	
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Industrial Improved	NEEDHAM TOWNSHIP	Needham Township IndImp changed roughly 30%, or \$33,236,900. This is due to the reasons listed below. <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;"><u>Parcel</u></th> <th style="text-align: center;"><u>Amount Chg</u></th> <th style="text-align: center;"><u>Reason for Chg</u></th> </tr> </thead> <tbody> <tr> <td>41-07-20-011-001.000-017</td> <td style="text-align: right;">\$ 486,900</td> <td>Ag to IndImp</td> </tr> <tr> <td>41-07-18-041-002.000-018</td> <td style="text-align: right;">\$ 17,942,200</td> <td>Ag to IndImp</td> </tr> </tbody> </table>	<u>Parcel</u>	<u>Amount Chg</u>	<u>Reason for Chg</u>	41-07-20-011-001.000-017	\$ 486,900	Ag to IndImp	41-07-18-041-002.000-018	\$ 17,942,200	Ag to IndImp									
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		<p>41-07-18-044-015.001-018 \$ 14,400,200 New Construction</p> <p style="text-align: right;">\$ 32,829,300</p> <hr/> <p>PLEASANT TOWNSHIP Pleasant Township IndImp changed roughly 30%, or \$134,305,100. This is due to the reasons listed below.</p> <table border="0"> <thead> <tr> <th style="text-align: left;"><u>Parcel</u></th> <th style="text-align: right;"><u>Amount Chg</u></th> <th style="text-align: left;"><u>Reason for Chg</u></th> </tr> </thead> <tbody> <tr><td>41-05-23-034-018.000-056</td><td style="text-align: right;">\$ 19,709,000</td><td>Ag to IndImp</td></tr> <tr><td>41-05-11-012-002.000-030</td><td style="text-align: right;">\$ 17,177,300</td><td>Ag to IndImp</td></tr> <tr><td>41-05-02-043-002.000-030</td><td style="text-align: right;">\$ 7,545,400</td><td>IndVac to IndImp</td></tr> <tr><td>41-02-35-031-019.000-030</td><td style="text-align: right;">\$ 2,211,500</td><td>ComVac to IndImp</td></tr> <tr><td>41-05-02-033-001.000-030</td><td style="text-align: right;">\$ 42,181,500</td><td>ComVac to IndImp</td></tr> <tr><td>41-05-11-022-001.000-030</td><td style="text-align: right;">\$ 7,541,000</td><td>ComVac to IndImp</td></tr> <tr><td>41-05-09-021-072.000-025</td><td style="text-align: right;">\$ 328,700</td><td>ComImp to IndImp</td></tr> <tr><td>41-02-34-014-009.000-030</td><td style="text-align: right;">\$ 3,969,800</td><td>New Parcel</td></tr> <tr><td>41-02-35-023-001.000-030</td><td style="text-align: right;">\$ 1,086,100</td><td>New Parcel</td></tr> <tr><td>41-02-35-022-011.000-030</td><td style="text-align: right;">\$ 4,808,600</td><td>New Parcel</td></tr> <tr><td>41-02-35-022-010.000-030</td><td style="text-align: right;">\$ 7,027,400</td><td>New Parcel</td></tr> <tr><td></td><td style="text-align: right;"><u>\$ 113,586,300</u></td><td></td></tr> </tbody> </table>	<u>Parcel</u>	<u>Amount Chg</u>	<u>Reason for Chg</u>	41-05-23-034-018.000-056	\$ 19,709,000	Ag to IndImp	41-05-11-012-002.000-030	\$ 17,177,300	Ag to IndImp	41-05-02-043-002.000-030	\$ 7,545,400	IndVac to IndImp	41-02-35-031-019.000-030	\$ 2,211,500	ComVac to IndImp	41-05-02-033-001.000-030	\$ 42,181,500	ComVac to IndImp	41-05-11-022-001.000-030	\$ 7,541,000	ComVac to IndImp	41-05-09-021-072.000-025	\$ 328,700	ComImp to IndImp	41-02-34-014-009.000-030	\$ 3,969,800	New Parcel	41-02-35-023-001.000-030	\$ 1,086,100	New Parcel	41-02-35-022-011.000-030	\$ 4,808,600	New Parcel	41-02-35-022-010.000-030	\$ 7,027,400	New Parcel		<u>\$ 113,586,300</u>	
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Residential Improved	<p>NEEDHAM TOWNSHIP Needham Township ResImp changed roughly 14%, or \$64,214,200. This is due to the reasons listed below.</p> <p>90 parcels changed from ResVac to ResImp accounting for approximately \$20,200,900.</p> <table border="0"> <thead> <tr> <th style="text-align: left;"><u>Parcel</u></th> <th style="text-align: right;"><u>Amount Chg</u></th> <th style="text-align: left;"><u>Reason for Chg</u></th> </tr> </thead> <tbody> <tr><td>41-08-12-012-042.000-018</td><td style="text-align: right;">\$ 114,800</td><td>New Construction completed</td></tr> <tr><td>41-08-13-011-019.000-018</td><td style="text-align: right;">\$ 108,500</td><td>New Construction completed</td></tr> </tbody> </table>	<u>Parcel</u>	<u>Amount Chg</u>	<u>Reason for Chg</u>	41-08-12-012-042.000-018	\$ 114,800	New Construction completed	41-08-13-011-019.000-018	\$ 108,500	New Construction completed																															
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		41-08-13-014-004.000-018	\$ 193,200	New Construction completed
		41-08-13-011-006.000-018	\$ 218,800	New Construction completed
		41-08-36-024-005.000-019	\$ 361,800	New Construction completed
		41-08-13-014-015.000-018	\$ 170,500	New Construction completed
		41-08-13-014-013.000-018	\$ 104,600	New Construction completed
		41-08-13-014-012.000-018	\$ 102,100	New Construction completed
		41-08-13-011-020.000-018	\$ 106,000	New Construction completed
		41-08-12-012-041.000-018	\$ 121,100	New Construction completed
		41-08-12-032-011.000-018	\$ 205,600	New Construction completed
		41-08-12-031-022.000-018	\$ 284,800	New Construction completed
			<u>\$ 2,091,800</u>	
	PLEASANT TOWNSHIP	Pleasant Township ResImp changed roughly 14%, or \$422,820,400. This is due to the reasons listed below.		
		252 parcels changed from ResVac to ResImp accounting for approximately \$63,686,000.		
		133 parcels are new parcels for this year accounting for approximately \$28,628,700.		
		<u>Parcel</u>	<u>Amount Chg</u>	<u>Reason for Chg</u>
		41-05-14-041-020.004-033	\$ 144,200	New Construction completed
		41-05-21-034-066.000-028	\$ 148,400	New Construction completed
		41-05-07-031-037.000-030	\$ 127,500	New Construction completed
		41-05-28-022-079.000-028	\$ 114,100	New Construction completed
		41-05-07-031-032.000-030	\$ 111,200	New Construction completed
		41-02-35-031-076.000-030	\$ 165,700	New Construction completed
		41-05-28-022-036.000-028	\$ 143,400	New Construction completed
		41-05-07-032-016.000-030	\$ 158,500	New Construction completed
		41-05-06-034-051.000-042	\$ 136,100	New Construction completed
		41-05-28-022-035.000-028	\$ 145,500	New Construction completed
		41-05-28-023-077.000-028	\$ 152,200	New Construction completed
		41-05-29-034-065.000-033	\$ 119,000	New Construction completed
		41-05-17-031-004.000-033	\$ 160,000	New Construction completed
		41-02-30-034-023.000-026	\$ 147,700	New Construction completed
		41-05-06-034-018.000-042	\$ 172,700	New Construction completed
		41-05-28-023-088.000-028	\$ 102,300	New Construction completed
		41-02-35-031-080.000-030	\$ 142,600	New Construction completed
		41-05-15-032-008.000-033	\$ 112,100	New Construction completed
		41-05-07-033-026.005-030	\$ 102,700	New Construction completed
		41-05-18-014-051.000-030	\$ 115,800	New Construction completed
		41-05-06-034-059.000-042	\$ 107,300	New Construction completed
		41-05-17-031-001.000-033	\$ 117,600	New Construction completed
		41-05-17-043-053.006-033	\$ 104,700	New Construction completed
		41-05-30-031-007.007-033	\$ 244,200	New Construction completed
		41-05-17-042-050.006-033	\$ 140,100	New Construction completed
		41-02-29-013-001.007-026	\$ 112,500	New Construction completed
		41-02-35-013-090.000-030	\$ 119,400	New Construction completed
		41-05-29-041-019.000-028	\$ 119,000	New Construction completed
		41-05-22-033-051.000-028	\$ 119,400	New Construction completed
		41-02-35-012-053.000-030	\$ 165,700	New Construction completed
		41-02-35-012-056.000-030	\$ 159,200	New Construction completed
		41-02-35-021-016.000-030	\$ 229,400	New Construction completed

standard operating procedures for certain assessment practices (e.g. effective age changes), a timeline of changes made by the assessor's office, or any other information deemed pertinent.

Overall, we noticed a good increase in assessed value and market activity within Johnson County. This coincides with an increased amount of new construction. A real broad overview of the increased amount of new construction can be summarized by stating that there were almost 1,100 new parcels, just over 600 parcels changed from vacant to improved, and just over \$135 million in commercial / industrial new construction. There were several neighborhoods being developed, which resulted in a lot of developer discount being removed as the lots sold. We do recognize that there is a significant number of parcels increasing 10% or more. For commercial and industrial vacant land this was due to land rates being increased in two neighborhoods, which was mentioned above. For residential improved this was due to neighborhood factors being increased due to market activity. All residential improved neighborhoods that have increased 10% or more on average we looked at the percent of representation and confirmed that there was sufficient market activity to substantiate the increase in assessed value. For all properties, both outside and within our review areas, we applied factor adjustments and land rate adjustments where necessary to meet IAAO standards. Any areas that did not have a fair representation of sales were combined with an adjoining area of similar economic factors so that we could draw a more definitive representation of the market.